



Downtown Center Business Improvement District

BOARD OF DIRECTORS MEETING MINUTES December 12, 2012

Board of Directors

Eric Bender, Jim Bonham, Marty Caverly, Robert Cushman, Sauli Danpour, Kathy Faulk, Robert Hanasab, Steve Hathaway, Matt Nolan (on behalf of Adele Yellin), Peklar Pilavjian, Paul Rutter, Carol Schatz, Patrick Spillane, Daniel Swartz, Cindy Troesh, Cari Wolk

Absent

Barbara Bundy, David Damus, Frank Frallicciardi, Peggy Moretti, Adele Yellin, Peter Zen

Staff

Hal Bastian, Jeff Chodorow, Nina Decker, Randall Ely, Jacob Holloway, Yeghig Keshishian, Lauren Mitchell, Lena Mulhall, Ken Nakano, Justin Regis

Guests:

Sara Hernandez, Paul Habib, Councilmember Jose Huizar

CALL TO ORDER

Faulk called the meeting to order at 8:05 a.m.

Schatz spoke to the attendees about litigation involving DCBID and the Arts District BID. A recent appellate ruling says that the Public Safety and Maintenance service of the DCBIDs are a Special Benefit and the Marketing and Economic Development aspects are General Benefits. As it stands, the city attorney's staff has decided not to appeal this current ruling. Schatz will coordinate with the other BIDs to work on getting the city attorney's office to change their decision. Despite the current litigation, Schatz announced that through her ongoing fight along with the efforts of Councilmember Huizar and his staff, the DCBID's Renewal contract for 2013-2017 has been signed.

Schatz introduced Councilmember Huizar and his Chief of Staff, Paul Habib and thanked both for all their efforts with the DCBID Renewal Contract. Huizar's office was instrumental in the process of getting the BID Renewal Contract signed. Through their efforts, the city attorney agreed to sign the contract for DCBID. Habib spoke on the process of getting BID Renewal Contract signed.

Schatz discussed a proposed Clean Water, Clean Beaches measure. This measure proposes a new assessment to fund the Clean Water, Clean Beaches Program. The proposed fee would be paid by all property owners within the LA County Flood Control District. Schatz asked that since this measure will be directly affecting property owners should the Board take a position.

A motion was raised to research this further with the intent to oppose it because the argument that is being established as to the harm and the solutions to solving that harm does not exist as they're not specifically allocating or identifying what the program dollars are going to be funding and they're allocated to a disparate source of water shed agencies and cities so that technically this money will have in the aggregate no real effect in solving this problem. The motion was seconded and approved.

PROPERTY OWNER OR PUBLIC COMMENT: None.

APPROVAL OF MINUTES

Approval of Minutes from December 12, 2012. Spillane made a motion to approve the Minutes. Rutter seconded and motion was approved.

FINANCE

Chodorow Reported:

October financials month- to-date was pretty flat. We were favorable about \$15K. Year-to-date change in assets was about \$275K, most of which was a result of reduced expenses. Key expense reductions were mostly in the marketing program where we were favorable about \$225K. This is a result of a timing difference in the production of the area map and the reduction in ambassador staffing costs and in Economic Development where we had about \$100K favorable variance. This is the result of a delay in the business recruitment DVD and some personnel vacancies for a portion of the year. We are unfavorable in the Admin. budget which is the direct result of the legal costs associated with the Angelus Plaza situation and the DCBID Renewal running over into 2012 when it was all budgeted in 2011.

Chodorow advised that the Finance Committee has reviewed and approved the financials for October 2012 and asked the Board to also approve the financials.

A motion was made by Spillane to approve October 2012 financials as presented, Swartz seconded and motion was approved.

Chodorow also discussed the proposed budget for 2013. We are proposing a net surplus budget of about \$30K for the year. We had some challenges this year until the Angelus Plaza situation was resolved. Once resolved the budget was favorable about \$30K. We are increasing the public safety compared to the 2012 actuals to add additional personnel, etc. We are also increasing the Marketing and ED to the forecast due to savings on some areas that will now be needed in 2012. We are ramping up the ambassadors and instead of doing the DVD this year, we will be pushing it back to do the demo study for 2013. Admin budget will be going down because we are saving on legal costs from 2012.

Chodorow advised that the Finance Committee has reviewed and approved the proposed budget for 2013 and asked the Board to also approve.

A motion was made by Spillane to approve the 2013 proposed budget as presented, Swartz seconded and motion was approved.

OPERATIONS

Nakano reported:

Safety:

Safety has been working on identifying problem areas within the district during the holiday season. We have noticed an increase of quality of life issues around Ralphs and also on Broadway between 2nd and 4th. The safety team also identified and uncovered a large encampment located at 1st and Figueroa. In this large encampment they found 12 bikes that were in various stages of being stripped. LAPD was called and was determined that none were reported stolen. Safety along with the LAPD will be continuously checking that area for more activity.

	<u>November 2012</u>	<u>November 2011</u>
Calls For Service	2,394	1,068
Self Initiated Calls/Incidents	7,832	9,940
LAFD Assists	4	6
LAPD Assists	8	7
Misdemeanor Incidents	598	609
Felony Incidents	16	9
Quality of Life Incidents	2,972	1,818

Safety Staff received training on the following topics:

- Patrol Procedures
- Bike Inspection
- Customer Service
- Cultural Diversity
- Side Handle Baton
- Pepper Spray

Maintenance:

Maintenance recently conducted a cigarette butt count on Hill Street between 5th and 7th Street. When doing these scans, the area is swept free and clear of cigarette litter and then for everyday for a week after the sweep the butts are picked up and counted daily. At the end of the week maintenance had collected 3,321 cigarette butts in a 2 block stretch. This is part of the Keeping America Beautiful Grant. Proceeds will be used for the placement of 10 new ashtrays that will be placed in our target areas. After the placement of the cans, we will conduct another scan to measure the impact of these cans.

BID ACTION:

Our outreach team continues to do two monthly homeless counts as directed. The following information was gathered.

1. Count #1 was conducted on 11/02/2012 – They counted approximately 153 people sleeping within the district on that evening. This is a very slight decrease of what we normally see at the beginning of every month. We attribute this to changing conditions in the skid row area and warmer weather.
2. Count #2 was conducted on 11/25/2012 – They counted approximately 172 which has been steady for the past couple of months

Though the outreach team has been successful in making contact with new faces within the district, they are finding that a large portion of the new people within the district are service resistant and do not want our assistance. The outreach team continues to try and forge a relationship with the individuals in hopes that they will be able to assist them in the future.

MARKETING

Mitchell Reported:

Mitchell highlighted some of the events that took place during the months of October and November.

- **Holiday Campaign** The DCBID's holiday campaigns launched on December 1 and promote "24 Top Holiday Events and Gifts in Downtown LA" and "15 Ways to Ring in the New Year in Downtown LA." The campaign highlights holiday concerts, performances, activities, and shopping.
- **Branding Campaign – "This is My Downtown"** "This Is My Downtown" continues to highlight where to shop, eat, play, and stay in Downtown LA. We launched our fourth video in November featuring LA Phil Principal Horn Player, Colburn School professor, and Downtown resident Andrew Bain.
- **Website** The marketing team continues to meet weekly to discuss the redesign of our website. An RFP will be issued in Q1. Highlights from our discussion include:
 - Create and post an introductory video about Downtown LA
 - Reorganize content based on visitor interest
 - Add compelling photography
 - Reduce copy across site; rewrite for SEO and hierarchy scanning
 - Emphasize most popular content through sidebar promotions
 - Integrate social sharing tools more consistently across all content
 - Post new business openings and "coming soon" teasers across site
- **Downtown Guides Program** The Downtown Guides were active in their outreach to businesses, residents and visitors in the Downtown Center. The Guides were present at the weekly Farmers' Markets and deployed at special events. During October and November, the Ambassadors provided 5,595 directions and contacted 700 businesses. The iPad program launched, allowing the Ambassadors to tally their activity and provide directions, menus, and additional information to visitors.

In early October, Border Grill hosted the annual DCBID Marketing Committee Retreat where we discussed marketing campaigns and ideas for 2013.

ECONOMIC DEVELOPMENT

Bastian Reported:

- 7th Street Retail Recruitment Program
 - Coco Laurent, a high end French restaurant opens on the corner of 7th Street and Grand Avenue.
 - We are working with four restaurants / bars, one large International lifestyle store, three furniture stores and five fashion stores companies that are interested in opening a location on 7th Street.
 - We met with three building owners to discuss retail strategies for their buildings on 7th Street.
- Other Retail
 - Brooks Brother's, a high end National retailer, announced its lease signing at the Jonathan Club on Figueroa.
 - Equinox, the luxury fitness center has opened its pre-sales office at they're new Downtown location at US Bank Tower.
 - Angelo Home, Well and Wander, retailers all opened in November.
 - We are working closely with city council on the retail recruiting program called Bringing Back Broadway. The Bringing Back Broadway committee is now working with We Are Giants, a marketing firm who will help with retail recruiting and branding Broadway.
 - We are working closely with three new restaurants that are opening in our District with permitting and expediting.
 - Overall, we toured 19 restaurants, 1 hospital, 1 gym, 1 movie theatre, 1 grocery store, 1 national discount store and 9 retailers that are interested in opening locations in our District.
- Residential Market
 - The Gallery Lofts Project has fully sold out the original release of condominiums.
 - The Beacon Condo Project has sold over 60% of their original release of condominiums.
 - We met with six developers interested in new construction or adaptive re-use residential projects in our District.
- 10th Annual Fall Downtown Los Angeles Program & Tour
 - We are actively planning the Fall Tour which will take place on November 13th, 2012. We have finalized the list of speakers and stops along the tour highlighting some of the great new developments of 2012. We are working on outreach to ensure continued strong attendance.
- Residential Market
 - The Apex Building, a market rate rental project on Figueroa Street is open and expecting residents to move in by November 1st.
 - The Beacon Condo Project will be opening November 10th, this will be the first release of condos into Downtown Los Angeles in 2012.

OLD BUSINESS

None

NEW BUSINESS

None

ADJOURNMENT

The next meeting will be on Wednesday, February 13, 2013, at 8:00 a.m. The meeting was adjourned.